

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS

UNITED STATES OF AMERICA

v.

DAVID HOLT PALMER

CRIMINAL COMPLAINT

CASE NUMBER:

W11-109M

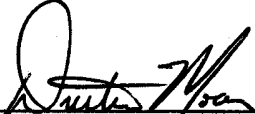
I, the undersigned complainant being duly sworn, state the following is true and correct to the best of my knowledge and belief.

On or about January 21, 2010, in Bell County, in the Western District of Texas defendant(s) did intentionally access a protected computer without authorization and, as a result of such conduct, caused damage, in violation of Title 18 United States Code, Section(s) 1030(a)(5)(C).

I further state that I am a(n) Special Agent, United States Secret Service, and that this complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT

Continued on the attached sheet and made a part hereof: YES


DUSTIN MOON, Special Agent
United States Secret Service

Sworn to before me and subscribed in my presence,

May 11, 2011
Date

at

Waco, TX
City and State

Jeffrey C. Manske, U.S. Magistrate Judge
Name & Title of Judicial Officer


Signature of Judicial Officer

MOON Affidavit
May 11, 2011
Page 1

AFFIDAVIT IN SUPPORT OF ARREST WARRANT

INTRODUCTION

1. Affiant is Dustin Moon, Special Agent (SA), United States Secret Service (hereinafter USSS). Affiant has been so employed in this capacity for approximately seven years. I am currently assigned to the USSS Waco Resident Office. Affiant has five years experience as a law enforcement officer. Affiant's current duties and responsibilities include the investigation of violations of federal criminal statutes. Such statutes include (18 U.S.C. 1030) Fraud and related activities in connection with computers occurring within the Western District of Texas.
2. The following facts, which Affiant states are true and correct to the best of his knowledge and belief, were obtained from affiant's review of case evidence, Affiant's personal investigation and from information provided to the Affiant by other individuals, including law enforcement officers and employees.

PROBABLE CAUSE

The following affidavit is based on the investigation conducted by USSS SA Steven Baskerville, Waco Resident Office.

On 1/23/10, Vice President Skip Carruth, McLane Advanced Technologies, contacted the USSS Waco Resident Office to report unauthorized network intrusions had occurred at the company. Mr. Carruth explained that McLane Advanced Technologies is a company based in Temple, Texas that provides information technology and network support services to companies based in Texas as well as throughout the United States. Mr. Carruth explained that beginning on or about 12/23/09, the McLane Advanced Technologies network began suffering unauthorized intrusions from an individual using the usernames PALMER, DAVID.PALMER, and PALMERLT. Mr. Carruth continued to explain that DAVID HOLT PALMER was an Information Technology Administrator formerly employed with McLane Advanced Technologies. According to Mr. Carruth, DAVID HOLT PALMER, was engaged in a personal relationship with Leslie Joan Sawyer, an employee of McLane Advanced Technologies. Leslie Joan Sawyer was terminated which angered DAVID HOLT PALMER. DAVID HOLT PALMER began sending threatening emails to

management and using threatening language at the workplace demanding Leslie Joan Sawyer be reinstated. This conduct led to DAVID HOLT PALMER's termination from McLane Advanced Technologies on 12/31/09. On that same date, McLane Advanced Technologies also disabled DAVID HOLT PALMER's only authorized network username DAVID.PALMER.

SA Baskerville reviewed McLane Advanced Technologies' network logs and discovered that on 12/29/2009, user DAVID.PALMER created another administrator account titled PALMER. It appears the user account PALMERLT was established in the same manner. Mr. Carruth advised that this type of activity is unauthorized as he is the only individual permitted to establish user and administrator accounts. Prior to the user account DAVID.PALMER being disabled, this user name was used to access the network of Dallas Oral Surgery, a client of McLane Advanced Technologies, based in Plano, TX. Several files belonging to Dallas Oral Surgery were deleted during this unauthorized access.

Additionally on 1/21/10, LoneStar Plastics, a client of McLane Advanced Technologies, suffered a network intrusion from user PALMERLT. LoneStar Plastics has operations in Prattville, Alabama as well as Garland, Texas. During this intrusion, LoneStar Plastic's payroll files were deleted affecting Lone Star Plastics's ability to pay its employees.

Finally, on 2/8/10, SA Baskerville was notified by Mr. Carruth that Capstone Mechanical, a client of McLane Advanced Technologies, had suffered a network intrusion disrupting it's operations. Investigation revealed this affected by someone using the user name PALMERLT.

On 3/29/10, SA Baskerville located DAVID HOLT PALMER and interviewed him. DAVID HOLT PALMER provided a written statement. An excerpt of that statement is as follows:

"Q: On 1/21/10, did you access LoneStar Plastic's and Capstone Mechanical's systems from Bikini's Sports Bar in Austin, Texas? Why?

A: Yes, I was frustrated at McLane Advanced technologies for refusing my Texas Workforce Commission request for unemployment. Those were the only two servers I could gain access to and I went in for the purpose of causing downtime to their systems. I formatted the secondary drive on one of the LoneStar Plastic's server, unjoined one of their systems from the domain and did not retrieve or keep and financial data or information. I logged into capstonemail with the intention to delete company files knowing that there was a good back-up of the files on all servers. There was no financials seen or kept from these servers either. The only reason for logging into any of these servers was to create general havoc and disorder for McLane Advanced Technologies the following day.

Q: What user(s) names have you used on the McLane Systems?

A: "matcomm", DAVID.PALMER, ADMINISTRATOR, PALMERLT (name of my personal laptop), PALMER (admin account on Wallace Group domain, used for testing purposes only)."

DAVID HOLT PALMER's actions have affected interstate commerce. The loss sustained by McLane Technologies, LoneStar Plastics, and Capstone Mechanical as a result of DAVID HOLT PALMER's actions is estimated to exceed \$50,000.

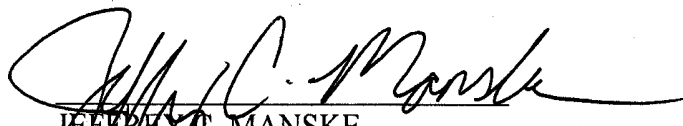
CONCLUSION

Based upon the above and foregoing, Affiant believes there is probable cause to believe that DAVID HOLT PALMER has committed the violation of Fraud and related activity in connection with computers (18 U.S.C. 1030(a)(5)(C)). Affiant therefore seeks that a warrant be issued for the arrest DAVID HOLT PARKER



Dustin Moon, Special Agent
U.S. Secret Service

Sworn to and subscribed before me this 11th day of May 2011.



JEFFREY C. MANSKE
United States Magistrate Judge